

MAYOR & COUNCIL AGENDA COVER SHEET

MEETING DATE:

February 22, 2005

CALL TO PODIUM:

Nancy Walsh,
Grants Writer

RESPONSIBLE STAFF:

Nancy Walsh,
Grants Writer

Louise Kauffmann,
Grants Administrator

AGENDA ITEM:

(please check one)

	Presentation
	Proclamation/Certificate
	Appointment
x	Public Hearing
	Historic District
	Consent Item
	Ordinance
	Resolution
	Policy Discussion
	Work Session Discussion Item
	Other:

PUBLIC HEARING HISTORY:

(Please complete this section if agenda item is a public hearing)

Introduced	
Advertised	2/2/05
Hearing Date	2/22/05
Record Held Open	
Policy Discussion	

TITLE:

Hearing to Solicit Public Service Proposals for the Expenditure of FY06 Community Development Block Grant Funds

SUPPORTING BACKGROUND:

In its third year as a direct entitlement community, Gaithersburg will receive \$517,000 in Community Development Block Grant (CDBG) funds from the U.S. Department of Housing and Urban Development (HUD). CDBG funds support national objectives that include providing decent housing, a suitable living environment, and expanded economic opportunities, principally for low- to moderate-income persons. Twenty percent (\$103,400) of the City's CDBG award may be used for administration and planning, and up to 15 percent (\$77,550) for public service projects. The balance (at least \$336,050) will be used for eligible capital projects.

The City is also the formula grantee for the HOPWA (Housing Opportunities for Persons With AIDS) program for the Bethesda-Frederick-Gaithersburg Metropolitan Division, which consists of Montgomery and Frederick Counties. In FY06, the \$518,000 HOPWA award will provide tenant-based rental assistance to low-income persons with HIV/AIDS in the two counties.

CDBG Regulations require the City to hold at least two public hearings each year and to submit an annual Action Plan to HUD identifying how funds will be spent. The City's first public hearing was held January 4, 2005 at the Activity Center at Bohrer Park. A public hearing on HOPWA was held February 16, 2005 at the Housing Authority of the City of Frederick. At tonight's public hearing, which focuses on CDBG only, the public is invited to present proposals for public service projects to be funded through CDBG.

The City is evaluating applications for CDBG public service grants and preparing its annual Action Plan, which will be submitted to HUD by May 15, 2005, following a 30-day review and comment period.

DESIRED OUTCOME:

Hear testimony of potential applicants for FY06 CDBG funds. (At staff presentation March 21, 2005, staff will present funding recommendations.)